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New Free-Trade Treaty Will Help Ohioans, All U.S. Farmers

By Mike Johanns, Guest columnist

When I was governor of Nebraska, and as Mayor of Lincoln, it sometimes seemed that people in my home state lived and breathed "Cornhusker Red."

But I can't imagine how successful the Husker football team would have been if it were allowed only two men on the gridiron, for instance, while all the other teams could field all 11 players.

The same is true today of the trading situation between U.S. farmers and those of several other countries in the Western Hemisphere. The current "rules of the game" create a playing field that is tilted strongly against U.S. agriculture.

The Central America-Dominican Republic Free Trade Agreement (CAFTA-DR), under consideration in Congress, would level that playing field for U.S. farmers, ranchers and food processors. U.S. negotiators have scored a touchdown, delivering a comprehensive agreement that will open doors for more U.S. farm sales to Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua.

The benefits of this agreement extend across our entire food and agriculture sector. The U.S. market is already open to these six countries, so products from those countries are flowing freely into our markets. In fact, more than 99 percent of those nations' products enter our market duty-free under other agreements. Yet our exports face stiff tariffs that could even increase under current trade rules. CAFTA-DR truly levels the playing field.

Trade stimulates economic growth, boosting income and translating into more demand for U.S. products. Such economic prosperity, in turn, contributes to more political stability throughout the region.

These nations are already good markets for us. They are close to home, and offer a natural transportation advantage. They bought \$1.8 billion of our farm and food products last year. And, with expanding economies, rising incomes and 44 million consumers in the region, the outlook is bright for a steady expansion in sales. When CAFTA is passed, we could well double U.S. export sales to these countries.

In Ohio, agricultural exports are a vital part of the economy, valued at \$1.2 billion. After CAFTA is passed, important commodities such as soybeans, corn, dairy products and wheat could be imported into CAFTA nations with dramatically lowered - or eliminated - tariffs, creating even more economic benefits for Ohio.

Nearly every part of the U.S. farm sector will see benefits, and farm groups are strong advocates of the agreement. More than 50 leading U.S. agricultural industry and trade

groups already are actively working in support of CAFTA-DR and urging Congress to approve it.

On the other hand, if the agreement is not passed, American agriculture stands to lose. Our sales to the region could face even stiffer tariffs than they do now. Simply put, without the agreement, products from the CAFTA-DR countries will continue to enter our market duty-free, while our products will continue to face significant barriers to their markets. Without CAFTA-DR, we would also see our competitive position in those markets decline, compared to other countries that already have negotiated free trade agreements with them. Our market share in recent years has been declining in those countries, but CAFTA-DR will help us regain that foothold. CAFTA-DR gives the United States access that is as good as, if not better than, what our competitors in Canada, the European Union and South America enjoy today.

Mike Johanns is the U.S. secretary of agriculture.